

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING
1594 West North Temple - Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
Telephone: (801) 538-5291
Fax: (801) 359-3940

SMALL MINING OPERATIONS 2009 PROGRESS REPORT
January 1, 2009 to December 31, 2009

The information required in this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, and the rules as under the Utah Minerals Regulatory Program.

1. Mine Permit Number: M 210004
2. Mine Name: Escalante Silver Mine
3. Name of Operator/Permittee: Heda Mining Company

Note: If Operator's address, company representative or phone number have changed, please provide a replacement page for the Notice of Intention together with form MR-REV available on the Division's web page at https://fs.ogm.utah.gov/pub/MINES/Minerals_Related/FORMS/MR-REV-SMO_EXP.pdf

4. Mine Location: 3 miles WSW of Beryl Junction SE 4 Section TS 36S, R 17W
5. Report the gross amount of ore mined and waste moved, as well as the current disposition of the material (sold, stockpiled, regraded, etc.): None - mine closed

Gross Ore Mined 0 Tons, or yd³

Waste Material Moved Tons, or yd³

New Disturbance Acres during 2009

Area Reclaimed Acres during 2009

Total Disturbed Area 28 Acres* - Access road & tailings impoundment

*Total life of mine disturbance to the end of 2009.

Was the ore shipped off site? If not, where is the ore located?

Where is the waste located? Waste dump & tailings impoundment

6. Briefly describe the reclamation work performed during the past year. A map showing reclaimed areas and dates is suggested. (Submit form MR-SITE (https://fs.ogm.utah.gov/pub/mines/minerals_related/forms/MR-SITE.pdf) for an application for full or partial bond/site release).

Site monitored for revegetation success at waste dump & tailings impoundment. Weed spraying for knapweed was conducted at tailings impoundment during spring/summer/fall.

I hereby certify, under penalties of law, the information provided in this report is true and correct to the best of my knowledge and belief.

Name (Typed or Print): Paul L. Glader

Title of Operator: Manager Environmental Services

Signature of Operator: [Signature]

Date: 1/4/10



January 4, 2010

Minerals Program
State of Utah – Dept of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Escalante Silver Mine 2009 Annual Report – M210004

Enclosed is the completed 2009 Annual Report for Hecla Mining Company's Escalante property.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Glader", written over a horizontal line.

Paul L. Glader
Manager Environmental Services

Encl.

RECEIVED

JAN 06 2010

DIV. OF OIL, GAS & MINING